A PUBLICATION OF THE ARKANSAS APPRAISER LICENSING & CERTIFICATION BOARD

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## **Opinion of Value**

By Scott McKennon, Board Chairman

As we see so often in business, industry, and professional arenas, including the appraisal profession, change is not something that MAY happen. Change is something that DOES and WILL happen! The big unknown in change is if and how it will affect us in the immediate future and down the road.

#### **WARNING!**

#### A MAJOR CHANGE IS COMING

The original real property appraiser qualifications criteria adopted by the Appraiser Qualifications Board (AQB) went into effect in the early 1990s along with federal banking and appraisal reform laws. They were designed to allow an adequate number of appraisers to perform appraisals for federally related transactions. There have been a number of revisions and interpretations to the criteria since but no comprehensive review.

In 2000, the AQB began circulating questions about appraiser qualifications to appraisers, bank regulators, appraiser professional associations, state licensing officials, user of appraisal services, government agencies, appraisal educators, and others.

See Value, page 6

# **Board Adopts New Rules Affecting Appraisers**

New rules and regulations affecting everything from how Arkansas appraisers obtain their continuing education credits to the way they renew and maintain their licenses have been adopted by the Appraiser Licensing and Certification Board.

The rule changes went into effect Aug. 16 after being "reviewed" by the Administrative Rules and Regulations Committee of the Legislative Council on Aug. 5 and being filed with the Secretary of State by Executive Director Jim Martin.

As Martin told the legislators, opportunities for appraisers to obtain the continuing education credits they need to obtain and then maintain their licenses and certifications are somewhat slim in Arkansas, and the Board hopes to make the process more convenient by sanctioning distance learning for all courses except the 15 hour and 7 hour courses on the Uniform Standards of Professional Appraisal Practice (USPAP), which must be completed in the traditional classroom setting.

Distance learning is defined in the new rules as an educational offering that does not take place in the traditional classroom setting but occurs via a non-traditional method in which teacher and students are separated by

See New Rules, Page 4

# **Setting the Record Straight**

The Arkansas Appraiser Licensing and Certification Board continues to hear that misleading statements are being made about the limits on non-residential property appraisals by State Licensed individuals.

The restrictions on State Licensed appraisers performing assignments on non-residential properties (subject to the Competency Provision) are found in Section I (F) of the Board's current Rules and Regulations.

This section says that a State Licensed appraiser performing an assignment on a *federally related transaction* may appraise non-residential property if the *loan value* is

less than \$250,000. The section also says a State Licensed Appraiser may not do appraisals on non-federally related transactions if the <u>property value</u> exceeds \$250,000.

State Licensed appraisers should familiarize themselves with these regulations and be aware of the limits regarding loans or property value on non-residential property types as well as the limit on complex 1-4 unit residential properties.

If additional interpretations are needed, call the Board at (501) 296-1843.

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# **Camden Appraiser Joins Board**

There's an adage that when you really need to have something important done, ask a busy person to do it; it will happen.

Perhaps this is because busy people need to be good time managers, and Michael A. Clayton certainly must be one of these.

The Board's newest member, appointed by Gov. Mike Huckabee for a term that expires Jan. 15, 2006, Clayton owns and manages four businesses head- quartered in Camden, including Arkansas Title and Escrow; Clayton & Associates Appraisers; and C&C Timber Management. For the fourth business, he converted a waterfowl and turkey hunting passion into a guide license and created



Michael A. Clayton

L.A. Wings Outfitters. He succeeds the late Don Jordan of Hope on the Board.

Born Nov. 5, 1958, Clayton received his bachelor of science degree in forestry from the University of Arkansas at Monticello in 1980. He has done postgraduate studies in forest silviculture and wildlife manage- ment at the University of Arkansas at Fayetteville and Mississippi State University at Starkville

After working in private industry, Clayton settled in Camden in 1986 where he is active (and a deacon) in the Cullendale First Baptist Church.

He is a registered forester, a Certified General Appraiser, a licensed title insurance agent, and he has turned an avocation into a profitable passion by becoming a licensed hunting guide.

Clayton and his wife, Victoria, have two daughters—Sarah, 10, and Rachel, 8.

## **Questions & Answers**

(EDITOR'S NOTE: The Appraisal Standards Board does not set new standards or interpret existing ones. ASB responds to questions raised by regulators and individuals in an effort to illustrate the applicability of the Uniform Standards of Professional Appraisal Practice ((USPAP)) in specific situations and to offer advice on resolving appraisal issues and problems.)

**QUESTION:** I've been told that because e-mail is not secure, using it to deliver reports to my clients would violate the USPAP confidentiality requirements. Is this so?

**ANSWER:** No. The Board does not believe sending appraisal reports via e-mail would violate the USPAP confidentiality rule.

**QUESTION:** Does submitting a log containing the address of properties appraised along with the value opinion to the state appraiser board constitute a violation of the USPAP confidentiality requirements?

**ANSWER:** No. This does not violate USPAP.

**QUESTION:** When an appraiser is asked to value a significantly large group of similar or like items, does USPAP require her/him to follow Standard 6 for mass appraisals?

ANSWER: No. Mass appraisal, for which standards are addressed in Standard 6, is an appraisal method. USPAP does not dictate the use of any particular method or technique in any particular assignment or under any particular set of circum-

#### THE APPRAISER

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> Telephone (501) 296-1843 Fax (501) 296-1844 E-mail - ALCB@mail.state.ar.us Website - www.state.ar.us/alcb

Nikki Bradley Fayetteville
Michael ClaytonCamden
C. Wayne Coats Conway
Richard Gillespie Little Rock
Scott McKennonForrest City
Fred Rausch Fort Smith
Virginia Risinger Strong
Isaac Ross Little Rock
Thomas Scott Little Rock
Richard Stephens Little Rock

All inquiries, including those about copy deadlines, should be directed to the above address and telephone number to:

Jim Martin ..... Editor

Technical editing by: Carol Griffee Little Rock, Arkansas SUBSCRIPTION: \$10 a year

"The Appraiser" is seeking timely articles or comments on practical appraisal subjects of interest to both residential and nonresidential appraisers from appraisers, lending institutions, and other mortgage lenders. The articles or letters should be sent to the Board's office at the above address.

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stances. While mass appraisal methods may be helpful in the appraisal of large numbers of similar assets, whether its use is appropriate for a particular assignment would depend on such factors as assign- ment conditions, the intended use of the appraisal results, and, at times, agreement with the client.

**QUESTION:** I accept assignments from an appraisal management company (AMC) that has informed me it is an authorized agent for the lenders it represents. The AMC does not want me to list its name as

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# Panels Weigh 41 Cases

By Mary Lou Brainerd
Board Investigator

Since the year began, 19 Probable Cause Panels have convened and considered 41 cases of complaints against appraisers. The recommendations of those panels were presented later at full Board meetings and ratified.

Of the 41 cases considered, 21 were referred to Non-Judicial Hearings (informal conferences); 14 were dismissed; 5 were dismissed with letters of caution sent to the appraisers; and one (involving two complaints against the same appraiser) was referred for a full Board hearing.

Also this year, there have been 23 Non-Judicial Hearings (informal conferences) made up of 16 panels whose recommendations have been presented and ratified at full Board meetings. Fourteen of these cases were concluded with Consent Agreements being signed, 5 were dismissed; and 4

were dismissed with letters of caution.

Each Non-Judicial Hearing panel is made up of at least two Board members. Normally the same members who are a Probable Cause Panel hear the case if it goes to the Non-Judicial Hearing level.

#### About a Q&A

The July 2004 *USPAP Q & A* issued by the Appraisal Standards Board of The Appraisal Foundation contained a question and answer that is very timely. Not all of you receive this report, so I would like to pass the question and answer along for your attention.

**Question:** Fannie Mae recently issued several new test appraisal report forms. Do these new forms comply with USPAP?

Response: It is the position of the Appraisal Standards Board that appraisers comply with USPAP, not forms. Each assignment is different, and no form could cover all USPAP requirements for all assignments. Appraisal forms are simply tools to assist in organizing the reporting of assignment results.

It is the responsibility of the appraiser to properly <u>develop</u> an appraisal, and to <u>report</u> the assignment results. A template or form may or may not adequately report the assignment results. It may be necessary for the appraiser to supplement a form with addenda to comply with USPAP requirements.

For additional information on USPAP Q&A, contact John S. Brenan, Director of Research and Technical Issues, at The Appraisal Foundation, 1029 Vermont Avenue NW, Suite 900; Washington, D.C., 20005.

## **Arkansas Voices Concerns**

The Arkansas Appraiser Licensing and Certification Board is concerned about some features of the Appraiser Qualifications Board's plan to implement new criteria effective Jan. 1, 2008, and has written to the panel to voice its objections.

(See Chairman Scott McKennon's Opinion of Value column in this newsletter for the changes in qualifying criteria.)

At a recent meeting of the Association of Appraiser Regulatory Officials (AARO) in Cincinnati, O., the Arkansas delegates and others heard Appraisal Subcommittee Director Ben Henson say that those who sit for exams after Jan. 1, 2008, must be in compliance with the new qualifying criteria that

go into effect Jan. 1, 2008.

In a letter to Henson, Arkansas Board Chairman Scott McKennon asked the AQB to "seriously reconsider" this policy so that if a person applies for a state license or an upgrade on or before Dec. 31, 2007, and meets all qualifications in effect on that date but cannot take the exam for whatever reason until the next year, he or she be allowed to proceed under the rules as they existed before Dec. 31, 2007.

In addition, the Board wants an appraiser to be allowed to carry forward any education hours acquired before Jan. 1, 2008, and apply them with any recently completed hours to the new criteria for a license or upgrade.

In his letter, McKennon said the Ar-

kansas agency was so focused on commenting about the proposed changes in the qualifications themselves that it failed to say anything about implementation. In addition, the Board was going along somewhat "fat, dumb, and happy," assuming the AQB would implement the new criteria in the fair and equitable way it had previous criteria and interpretation. This is not the case, McKennon advised, and warned the AQB it was "creating not only a major public relations crisis within the appraisal community but a very explosive political environment for every regulatory body in the country."

Henson has acknowledged receiving the letter but promised only that Arkansas' views would be considered.

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#### **New Rules** from Page 1

distance and sometimes by time as well. Usually this means via videotape or computer.

The rules go on to outline what it takes to get the Board's approval for a distance-learning course, such as it must be presented by an accredited college, community or junior college or university that offers distance education programs in other subjects, and the course itself has been approved for college credit by the American Council on Education or the International Distance Education Certification Center (IDECC).

After listing other qualifications designed to ensure the distance learning course is legitimate, the Board deals with the issue of who can proctor examinations in the absence of a professor or instructor being on site.

The proctors, who must be ap-

proved by the Board, have to be educators and they cannot be related by blood or marriage to the student taking the test. The agency goes into detail about steps to be carried out to ensure that a student is the one who took the distance learning course, completed it, and is the one being examined.

Would-be appraisers not only have to pass a test to earn a credit, they also have to complete an examination to get their license or certification.

And what happens when an applicant fails to pass the exam on the third (previously the second) try? All must wait at least six months before trying again and those seeking a state license must submit a new application, fees, additional work experience logs and proof of any additional education they may have acquired. Those wanting state certified residential or certified general must submit a

new application, work experience, and any proof of added education.

The rules also now bow to a directive from the Appraiser Qualification Board by stating that beginning Jan. 1, 2005, appraisers in all categories no longer may take the 15 hour USPAP course in lieu of the 7 hour USPAP update course during a two year continuing education renewal cycle.

#### Re: Registered Appraisers

Some language and requirements have been added to the Board's existing rules to reflect the fact the Arkansas legislature enacted a law requiring that even appraisers who do not perform federally regulated work have to be registered with the Board. They are called State Registered Appraisers.

For example, State Registered appraisers who accumulate more than 14 hours of continuing education credits during a renewal cycle may carry over no more than 14 hours into the next cycle.

Registered appraisers who have satisfied the Board's initial requirement of completing the 15 hour national USPAP course need only to document completion of the 7 hour USPAP course within two years preceding taking the exam.

A registered appraiser who upgrades to State License or certification may credit his previously paid annual registration fees toward his new classification's annual or other applicable fees.

Any and all experience claimed by a trainee during a period in which the applicant was not registered by the Board will not be considered toward meeting the minimum hourly requirements.

Also made clear is that a State Registered appraiser is required to be supervised by a licensed or certified appraiser when the assignment is for federally related transactions. This is not required when the assignment is for a non-federally related transaction. The duties and responsibilities of a supervisor

# **Education Offerings**

**Arkansas Chapter of The Appraisal Institute -** Contact Jennifer Coleman at (501) 227-5781. All classes will be held in Little Rock.

**The Columbia Institute -** Contact 1-800-460-3147 for information. Course to be held in Little Rock: "201 - National 1-day USPAP," 16 hrs.

**Lifetime Learning -** Contact Dennis McElroy at (417) 887-2221. All classes held in Springfield, Mo.

The Lincoln Graduate Center - Contact 1-800-531-5333 for information.

McKissock, Inc. - Call 1-800-328-2008.

National Association of Independent Fee Appraisers - Contact 1-800-335-1751 for information.

**RCI Career Enhancements -** Contact David Reinhold (479) 968-7752. "Appraising Timber & Timberland by the Income Approach," 15 hrs., QE, Aug. 30-31 at The Clarion, Hot Springs, AR; "Fundamentals of Real Property Appraisal," 15 hrs. QE, Sept. 13-14, Russellville, AR; "National 2004 USPAP," 15 hrs., QE, Nov. 15-16, Russellville, AR.

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are spelled out.

#### Suspension, Renewal, Etc.

And, the new rules spell out that anyone who surrenders his license or certification while an investigation is underway cannot get his documentation back until the complaint against him/her has been resolved. Further, an appraiser who has his license suspended or revoked is prohibited from performing any and all duties and responsibilities (including data, and/or assisting associates with the development and reporting of real property appraisals).

Those who fail to complete continuing education requirements to renew their registration, license or certification, will be unable to renew. Unless notice of intent to place a registration on inactive status or intent not to renew is received before expiration, the monthly penalty will continue for up to a year or until notice is received. After a one year hiatus, the state registered appraiser must submit a new application and satisfy any deficiencies that may have been outstanding at the time he/she failed to renew or notify the Board, plus a maximum penalty of \$600. Failure

to renew within a year by any registered, licensed or certified appraiser will require reapplication, and where appropriate, passage of an exam that shows current knowledge of real property appraisal practices.

To place a license or certification on inactive status, an appraiser must pay a \$100 fee by June 30. Inactive status may not be continued for more than six years, and failure to pay an annual \$100 fee by June 30 will cause it to lapse. To reinstate, the monthly delinquent fee will be applicable for a maximum of 12 months.

#### **Declaratory Orders**

A process for issuing declaratory orders has been added to the agency's regulations. This kind of order is defined as a means of resolving a controversy or answering questions or doubts about the applicability of laws, rules, or orders over which the agency has authority, and it is not considered appropriate to pursue these orders to determine the conduct of another person or to obtain a policy statement of general applicability. Those who have a question about this should consult the new regulations.

## FYI...

To satisfy the 7 hour National USPAP Update Course continuing education requirement, the 15 hour National USPAP Course may be taken only during the remainder of this year. Beginning Jan. 1, students no longer will be able to take the 15 hour course in lieu of the 7 hour course.

#### **Q&A** from page 2

the client; rather, it asks that I only list the name of the lender it is representing. As USPAP says the appraiser's client is the party who engages the appraisers, is it ethical to omit the AMC's name as the client on my reports?

**ANSWER:** Yes. If the AMC is acting as a duly authorized agent for a lender, identifying only the lender's name as your client is acceptable.

**QUESTION:** I recently have considered maintaining only electronic workfiles (i.e., saving only electronic versions of my reports and supporting data, and scanning any paper documents used so that copies may be stored on electronic media).

#### STATUS REPORT

As of August 4, 2004, Board records show these totals for appraisers:

State Certified General	444
State Certified Residential	331
State Licensed	131
State Registered	412

(Includes temporary and non-resident appraisers)

#### NEXT LICENSING, CERTIFICATION EXAM April 2, 2005

**DEADLINE TO APPLY: Feb. 4, 2005** 

Potential applicants should contact the Board's staff for current information about application process, exam schedules, fees, and other licensing matters by calling (501) 296-1843, or use the website at

#### www.state.ar.us/alcb/

Or write to the Appraiser Licensing and Certification Board, 101 E. Capitol Ave., Suite 430, Little Rock, Arkansas 72201.

Does USPAP prohibit this?

**ANSWER:** No. There is nothing in USPAP that prohibits an appraiser from maintaining only electronic versions of workfiles.

**QUESTION:** I recently reviewed an appraisal report. As part of the assignment, I developed an opinion of value that was different from the value in the appraisal report. I understand I must provide a signed certificate for the review under Standards Rule 3-3. However, the language in Standards Rule 3-2 seems to suggest that I also am required to prepare an additional certification to comply with Standards Rule 2-3. Are two certifications necessary?

**ANSWER:** No, you are not required to provide two certifications in an appraisal review assignment that included reporting your own value

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# 2 Seminars Draw 465 Appraisers

Having two sessions of the annual "Day With the Board" seminar proved to be the way to go in 2004 because a record 465 appraisers were able to attend and pick up 7 hours of continuing education credits as a result last spring.

The Board, however, has made no decision about whether any future seminar will be split between sessions held in separate parts of the state or even whether to continue the annual seminar. It is looking for suggestions about future scheduling from appraisal practitioners

On April 15, in cooperation with the Northwest Arkansas Appraisal Section, the Board held a session at the Embassy Suites in Rogers where 144 appraisers were treated to an enlightened and invigorating presentation by Doug Hodge, a certified instructor for the American Society of Farm Managers and Rural Appraisers. He operates out of offices in Michigan.

Shortly before lunch, Dr. Jeff

Collins of the University of Arkansas' Economic Research and Forecast Center made a cameo appearance during which he commented on current economic trends that impact the nation and the state, especially Northwest Arkansas.

Afternoon breakout sessions built around property types was another innovation this year that appeared to appeal to the attendees.

Board members Richard Stephens and Nikki Bradley moderated the breakout session on Certified General, commercial and farmland appraisers with an assist from Hodge. Fred Rausch aided by Wayne Coats and Board investigator Mary Lou Brainerd teamed up to handle the breakout on residential appraising.

The State Registered appraisers met with Tom Scott and the Board staff.

After the breakout sessions, Bradley moderated a Board panel of Scott McKennon, Scott and Rausch. They spoke primarily about Board

operations, including the complaint process.

The 336 appraisers who turned out for the April 20 session stretched the accommodation limits of the Riverfront Wyndham Hotel in North Little Rock, the traditional site of the seminar.

In her comments, guest lecturer Sheryl Andrus of Wisconsin gave participants a better understanding of the importance of developing a scope of work consistent with the intended use of the appraisal assignment. Special FBI Agent Gary Lockard gave the group an overview of white collar crime in Arkansas, focusing on mortgage fraud.

Scott chaired the non-residential property type afternoon breakout session; Board member Virginia Risinger moderated the one on residential appraising, and Richard Gillespie chaired the one for the State Registered appraisers.

As at Rogers, the participants reconvened for a panel discussion with Stephens moderating and McKennon, Scott, and Coats talking about various issues.

#### **USPAP**

## No, but...

The Uniform Standards of Professional Appraisal Practice does not specifically prohibit the disclosure in a report that an appraiser has performed a previous assignment on the subject property *except in one case.* 

If the appraiser agreed on the first assignment that he or she would not disclose the existence of the assignment, then the appraiser cannot reveal that he or she performed a previous appraisal because that information is confidential. If no such confidentiality agreement is involved, the appraiser can disclose his/her previous work on the subject property.

#### **Q&A** from page 5

opinion. In USPAP, this is addressed in the <u>Comment</u> to SR 3-2(d), which was revised for 2004. The revision underscores that whenever a reviewer provides a value conclusion different from the value opinion in the report under review, it is only the data and analyses provided by the reviewer that must be consistent with the applicable reporting Standard.

**QUESTION:** I am employed at a firm at which my reports are reviewed by a supervisory appraiser. The supervisory appraiser recently asked me to make changes to a report that resulted in a value opinion with which I do not agree. I am not comfortable signing the amended report. What are my obligations under USPAP?

**ANSWER:** You must not sign the report or the certification if the report

does not represent your own opinions and conclusions. Standards Rule 2-3 states that any appraiser signing an appraisal report must sign a certification that contains a statement similar to: "I certify that to the best of my knowledge and belief, the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions." (Bold added for emphasis.)

**QUESTION:** I recently received an assignment for an update of an appraisal. The original appraisal was on a commonly used single family residential report form. Must I use this same form to report the results of the update assignment?

**ANSWER:** No. Using the same form as the original report is not re-

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quired. The update is a new appraisal assignment, and it may be reported in any format that is acceptable for the intended use and complies with the applicable reporting Standard (Standard 2 for a real property assignment). The report must contain sufficient information to be meaningful and not misleading to the intended users, but it is not required to have the same level of detail as the original report.

QUESTION: I currently am working in an appraisal firm as a trainee. As part of my training, I contribute significant real property appraisal assistance in assignments performed by other appraisers in the firm but I do not sign the appraisal report or certification. I understand my name must be stated in the certification. Must the certification include a description of my assistance?

ANSWER: No, but in accordance with Standards Rule 2-2(a), (b), and (c)(vii), the extent of your assistance must be described, summarized or

stated (depending on the reporting option used) within the report. This required disclosure could be in the certification, or it could be placed in some other section of the report.

## Read Your Rules and Regulations Frequently.

It Pays to Remember!

**QUESTION:** Does USPAP require real property appraisers to reconcile the comparable sales used in the sales comparison approach to value?

ANSWER: Yes. Standards Rule 1-6 states: In developing a real property appraisal, an appraiser must: (a) reconcile the quality and quantity of data available and analyzed within the approaches used; and (b) rec-

oncile the applicability or suitability of the approaches used to arrive at the value conclusion(s).

**QUESTION:** What must be in the workfile when an appraiser issues an oral report?

**ANSWER:** The Record Keeping section of the ETHICS RULE requires that the workfile include:

- ◆ The name of the client and the identity, by name or type, of any other intended users;
- True copies of any written reports, documented on any type of media:
- Summaries of any oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and
- All other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compli-

See Q&A, Page 8

#### Value from page 1

Here are the new criteria the AQB has adopted that will go into effect Jan. 1, 2008:

#### **Licensed Residential:**

- Qualifying education will increase to 150 hours—a jump of 60 hours.
- Qualifying experience will be 2,000 hours, all to be obtained in no fewer than 12 months. Jan. 1, 2008, is only 40 months away!

#### **Certified Residential:**

- ◆ Qualifying education will increase to 200 hours—a jump of 80 hours. Also, a CR must have a minimum of 21 hours of specific college course work or hold an associate degree.
- Qualifying experience will be 2,500 hours, obtained in no fewer than 24 months. Jan. 1, 2008, is only 40 months away!

#### **Certified General**

- Qualifying education will increase to 300 hours—up 120 hours over the current requirement. Also, a CG must have at least 30 hours of specified college work or a bachelor's degree.
- Qualifying experience will be 3,000 hours obtained in no fewer than 30 months. Jan. 1, 2008, is only 40 months away!

Keep in mind that the new criteria apply only to those appraisers seeking an upgrade (CR or CG) or an appraiser applying for a new license on or after Jan. 1, 2008. Therefore, I strongly urge any trainee or appraiser thinking about upgrading an existing license to go ahead and get his/her education and experience in place before Jan. 1, 2008.

For appraisers to fail to address the impact of these revisions now could be detrimental to any professional development plans for upgrading their licensing status. Over the next few months, the Arkansas Board will have to make several decisions about how to implement the criteria changes in this state.

(An article elsewhere in this newsletter explains why the Board has concerns about the implementation part of these changes.)

It is my opinion at this point that if a person has acquired all of his/her education and experience before Jan. 1, 2008, **AND** submits an application to the Board postmarked or delivered on or before Dec. 31, 2007, he or she will be able to take the exam in 2008 based on the "old" criteria.

I also call to your attention that the Arkansas Board recently adopted some new regulations that are outlined in another article in this newsletter; I encourage you to read the article.

These rule changes and the AQB's new qualifying criteria may have no impact on some appraisers in Arkansas, but others may find these changes dramatic with real impact on their lives and businesses.



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#### **Q&A** from page 7

ance with this Rule and all other applicable Standards, or references to the location(s) of such other documentation.

The <u>Comment</u> in the <u>Record</u> <u>Keeping</u> section of the ETHICS RULE also states, in part:

A workfile must be in existence prior to and contemporaneous with the issuance of a written or oral report. A written summary of an oral report must be added to the workfile within a reasonable time after the issuance of the oral report.

**QUESTION:** Is it acceptable to "create" a comparable sale by combining the purchase price of the land with the subsequent cost to build the improvements, for an indicated "sale price?"

ANSWER: Misrepresenting that a comparable sale sold for a price that is a combination of the cost

paid for the land plus the cost to build the improvements without disclosing the true nature of the transactions, is misleading and is a violation of USPAP.

In addition, for assignments prepared in accordance with Fannie Mae Guidelines, supplemental standards issued by Fannie Mae state the following:

"...in no instance may the appraiser create comparable sales by combining vacant land sales with the contract purchase price of a home (although this type of information may be included as additional supporting documentation)."

<u>Comment:</u> See the <u>Comments</u> to <u>Standards</u> Rule 2-2(a)(ix), 2-2(b)(ix), and 2-2 (c)(ix) for corresponding reporting requirements. (Bold added for emphasis.)

### USPAP

## No! No! No!

It would be a USPAP violation for an appraiser to quote fees for appraisals based on the appraised values of the assignments, such as so much for a report on property between \$100,000 and \$299,000, and a fee of so much for property between \$300,000 and \$499,000.

This violates USPAP, according to the Appraisal Standards Board, because it is unethical for an appraiser to accept an assignment, or to have a compensation arrangement for an assignment, that is contingent, among other things, on reporting a predetermined opinion of value or the amount of a value opinion.